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Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

July 10, 2009

Darron Haddock
Division of Oil, Gas & Mining
1594 W. North Temple, Suite 1210
Salt Lake City, Utah 84116

RE: Star Point Waste Fuel - Permit # C/007/042
Permit Amendment – Change in Post Mining Land Use

Dear Darron:


As you are aware, SCA has been working with ConocoPhillips over the past few years to assist them in utilizing a gas lease that they received from the BLM on a portion of federal property within the mining permit area. As such, SCA is submitting this permit amendment (five copies each).

This amendment is to change the post mining land use (PMLU) to industrial in this portion of the permit area and for the access corridor and drainage area directly above it. Coupled with the change in PMLU, SCA is changing the reclamation plan for the industrial area to scrape the area clean of coal materials so that it can be used for the intended gas operations.

Upon DOGM approval of this amendment, SCA will commission the reclamation and request bond release. SCA is submitting a separate permit amendment to adjust the permit boundary such that most of the proposed industrial area would be outside the permit area.

Should you have any questions, please contact Scott Carlson (801)450-3511 or Rusty Netz at (435)888-4476.

Thank You


Richard Carter
Agent For
Sunnyside Cogeneration Associates

c.c. Steve Gross
Maggie Estrada
Paul Shepard
Rusty Netz
Plant File

File in:

☐ Confidential
☐ Shelf
☒ Expandable

Refer to Record No. 0010 Date 07/10/2009
In C/007/042/2008 Incoming
For additional information

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AUG 10 2009

DIV. OF OIL, GAS & MINING

COPY

Title: Post Mining Land Use and Reveg Plan

DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED

[illegible]

DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

COPYPermit Change ☒ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☐Permittee: Sunnyside Cogeneration AssociatesMine: Star Point Waste FuelPermit Number: C/007/042Title: Post Mining Land Use and Reveg Plan

Description, Include reason for application and timing required to implement:

A portion of the permit area is to be used for a gas well. This change will modify the PMLU and revegetation plan for that area

Instructions: If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- ☐ Yes ☒ No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ ☐ increase ☐ decrease.
- ☐ Yes ☒ No 2. Is the application submitted as a result of a Division Order? DO# _____
- ☐ Yes ☒ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- ☐ Yes ☒ No 4. Does the application include operations in hydrologic basins other than as currently approved?
- ☐ Yes ☒ No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- ☒ Yes ☐ No 6. Does the application require or include public notice publication?
- ☐ Yes ☒ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- ☒ Yes ☐ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- ☐ Yes ☒ No 9. Is the application submitted as a result of a Violation? NOV # _____
- ☐ Yes ☒ No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- ☒ Yes ☐ No 11. Does the application affect the surface landowner or change the post mining land use?
- ☐ Yes ☒ No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- ☐ Yes ☒ No 13. Does the application require or include collection and reporting of any baseline information?
- ☐ Yes ☒ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- ☐ Yes ☒ No 15. Does the application require or include soil removal, storage or placement?
- ☐ Yes ☒ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- ☐ Yes ☒ No 17. Does the application require or include construction, modification, or removal of surface facilities?
- ☐ Yes ☒ No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- ☒ Yes ☐ No 19. Does the application require or include certified designs, maps or calculation?
- ☐ Yes ☒ No 20. Does the application require or include subsidence control or monitoring?
- ☐ Yes ☒ No 21. Have reclamation costs for bonding been provided?
- ☐ Yes ☒ No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- ☒ Yes ☐ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?
- ☐ Yes ☒ No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

RICHARD R. CARTER PLANT MANAGER 8/6/09

Print Name

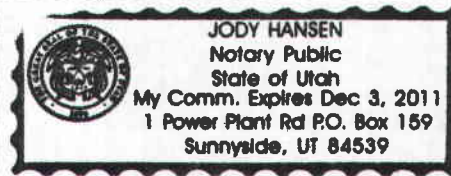
Position

Date

Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 6th day of August, 2009Notary Public: Jody Hansen, state of Utah.My commission Expires: Dec 3rd 2011Commission Number: 571930Address: 1 Power Plant Rd, P.O. Box 159City: Sunnyside State: UT Zip: 84539

SS:



For Office Use Only:

Assigned Tracking
Number:

Received by Oil, Gas & Mining

RECEIVED**AUG 10 2009****DIV. OF OIL, GAS & MINING**

Public Notice

Notice is hereby given as required by the Utah Coal Mining Rules, R645-300-121 that Sunnyside Cogeneration Associates (SCA), P.O. Box 159, Sunnyside UT 84539, has filed an application to modify the post mining land use (PMLU) approximately 10 acres of the existing mining permit disturbed area. Approval of this application will allow SCA to change its reclamation plan on the designated portion of land to allow for industrial uses after mining is completed under the provisions of the Utah Coal Mining and Reclamation Act and the Utah R645 Coal Mining Rules.

The permit area is comprised of 153 acres and is located at Wattis, Utah. The entire property is located within lands described as:

Sections 10 & 15, Township 15 South, Range 8 East, SLB&M.

Detailed maps of the proposed change are included as Exhibits to the application.

Copies of the permit will be available for inspection at the:

Utah Division of Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114

Written comments, objections or requests or an informal conference regarding this application must be submitted with 30 days of the last publication date of this notice, to the Utah Division of Oil, Gas and Mining, Attention Coal Regulatory Program, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801

Published in the Sun Advocate: Dates:

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110. LEGAL, FINANCIAL, COMPLIANCE AND INFORMATION.

111.100-400. INTRODUCTION.

Sunnyside Cogeneration Associates (SCA) has acquired the Wattis Coal Refuse Pile located in Sage Brush Canyon. The refuse pile has accumulated from the disposal of coal mine waste from the underground coal mining operation at Star Point Mine, which has most recently been owned and operated by Cypress Plateau Mining Corporation (CPMC), a subsidiary of RAG American Coal Company. Cypress Plateau Mining Corporation has changed its name to Plateau Mining Corporation. All references to Cypress Plateau Mining Corporation or CPMC infer Plateau Mining Corporation or PMC.

The Star Point Mine is currently closed and CPMC is in the process of reclaiming much of the disturbed areas near the refuse pile. SCA has purchased certain properties and easements associated with the coal refuse pile along with a few surface facility buildings near the refuse pile. SCA, therefore, has submitted this mining and reclamation plan and will be the permittee for the mining activities on the property identified within the designated permit boundaries. An area, less than a quarter mile north of the refuse pile was used as subsoil storage area for the Refuse Pile Expansion Area. SCA has acquired the rights to the soil and has designated this area as its reclamation Subsoil Area and has included it within the new permit boundary.

The SCA mining operation will consist of removing refuse material and hauling it for use in the SCA power cogeneration plant at Sunnyside, Utah. The refuse material will be used as an energy source to supplement its power generation. SCA's alternative energy project has been approved by the Federal Energy Regulatory Commission as a Qualifying Facility, based on the usage of refuse material as fuel in its fluidized-bed combustion boiler.

The Utah Division of Oil Gas and Mining (DOGM) considers the removal of the refuse pile as a Surface Coal Mining Operation and regulates as such under the provisions of Utah Administrative Code (UAC) R-645-301 "Coal Mine Permitting". However, many of the standard issues that generally apply to a surface coal mine will not apply to this operation since the pile is exposed and no stripping of any overlying strata or overburden is required.

Final reclamation is anticipated to begin upon the cessation of mining and excavation of the refuse pile. It is anticipated that the cessation of mining operations would occur after the refuse pile has been removed (with the exception of any reject coal mine waste or excess spoil which will have been placed in the proper disposal area). However, for the purpose of determining an estimated reclamation bond cost in accordance with the requirements of R-645-301-800, a second reclamation scenario is described which assumes that reclamation would begin under an assumed bond forfeiture condition under assumed conditions, which could exist at some time during the current permit term. In this plan, this scenario is called "Bonding Scenario Reclamation" while the actual anticipated reclamation is called "Final Reclamation".

This permit application is divided into eight sections per major code divisions covering: general conditions, soils, biology, land use and air quality, engineering, geology, hydrology, and bonding. The focus of this section of the permit application is general conditions, which is provided to meet the requirement of Section 100 of UAC R-645-301.

Psomas has relied on data and maps from previous approved permits for Star Point Mines. This permit application has been revised to reflect the SCA - Star Point Permit Area.

The format followed is in compliance with State of Utah guidelines, which follow OSM prescribed format.

112. IDENTIFICATION OF INTERESTS.

112.100. Statement as to Type of Entity.

The Applicant, Sunnyside Cogeneration Associates ("SCA"), is a Utah joint venture between Sunnyside Holdings I, Inc. and Sunnyside II, L.P. Information regarding these entities and other parent or controlling corporations is described in the sections that follow.

112.200-210. Information Regarding the Applicant.

Additional information regarding the applicant may be obtained by contacting:

Plant Manager

Sunnyside Cogeneration Associates
Attn: Richard Carter
One Power Plant Road,
P.O. Box 159
Sunnyside, UT 84539
Phone: (435) 888-4476
Fax: (435) 888-2538

Plant Engineer

Attn: Rusty Netz
One Power Plant Road,
P.O. Box 159
Sunnyside, UT 84539
Phone: (435) 888-4476
Fax: (435) 888-2538

Deleted: Michael J. Blakey

Utah Counsel

Brian W. Burnett, Esq.
Callister Nebeker & McCullough
10 East South Temple
Salt Lake City, UT 84133
Phone: (801) 530-7300

Environmental
Manager

Maggie T. Estrada
COSI
95 Enterprise, Suite 300
Aliso Viejo, CA 92656
Phone: (949) 425-4755
Fax: (949) 852-1720

General Manager

Kendall Reed
ACI
RR2 Box 56, Highway 3016
Clarion, PA 16214
Phone: (814) 226-8001
Fax: (814) 226-7909

Deleted: Fred W. Finlinson, Esq.

112.220. Information Regarding the Resident Agent.

Sunnyside Cogeneration Associates

Attn: Richard Carter, Plant Manager
P.O. Box 159, Sunnyside, UT 84539 (mailing address)
One Power Plant Road, Sunnyside, UT 84539 (street address)
Phone: (435) 888-4476
EIN: 52-2318424

Deleted: Michael J. Blakey

112.230. Information Regarding Abandoned Mine Land Reclamation Fee.

A letter was sent to the Office of Surface Mining on June 6, 2003 requesting a no value/fee determination for the Starpoint Mine Coal Refuse Pile. A copy of this letter is included in Exhibit 112.230a.

On January 13, 2004, the Office of Surface Mining found that the Star Point material being burned in the waste coal fired small power production facility operated by Sunnyside Cogeneration Associates was not subject to reclamation fees. A copy of the January 13, 2004, letter is included in Exhibit 112.230a.

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Star Point Waste Fuel
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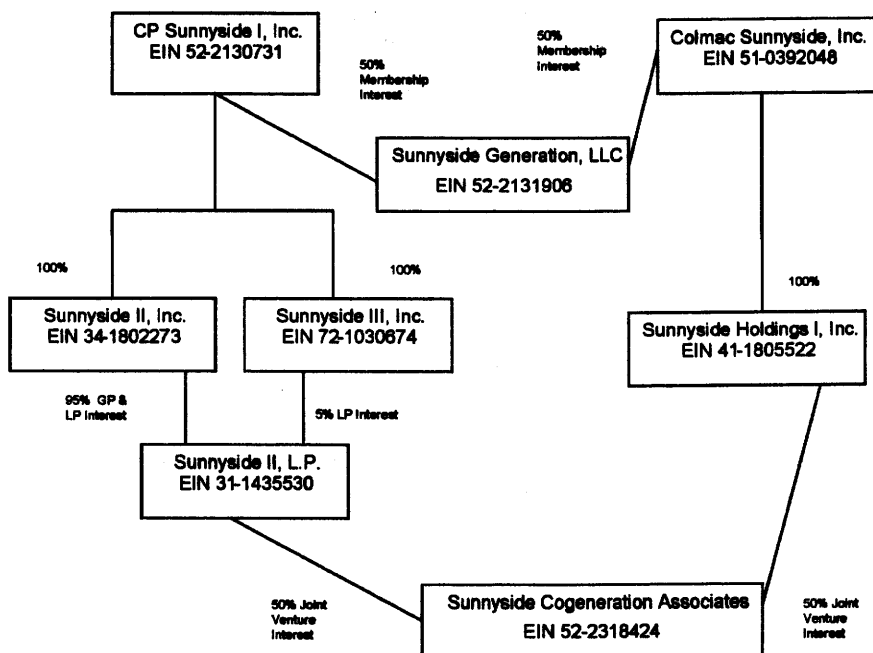
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112.300-330. Information Regarding "Owners" and "Controllers".

The Applicant, SCA, is a Utah joint venture. SCA holds the contracts, property, and permits for the project in its name. Because the joint venture is essentially a partnership between Sunnyside Holdings I, Inc. and Sunnyside II, L.P., SCA has no corporate information of its own. Therefore, the information required under regulation 112.300- 330 is provided for the joint venture partners, Sunnyside Holdings I, Inc. and Sunnyside II, L.P., and their parent or controlling corporations.

The information relevant to Sunnyside II, L.P. traces to the parentage of CP Sunnyside I, Inc. and the information relevant to Sunnyside Holdings I, Inc. traces to the parentage of Colmac Sunnyside, Inc., as follows:

Sunnyside Organization Chart



CP Sunnyside I, Inc.:

Directors: John T. Long
Steven B. Gross

Sunnyside Cogeneration Associates
Star Point Waste Fuel
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Officers: John T. Long Senior Vice President CGG
President CPG

Stephen B. Gross Vice President
Paul Shepard Vice President

Deleted: Michael J. Blakey . . Vice
President[]

Steven L. Miller Secretary

Daniel L. Haught Treasurer

The address for the officers and directors is 111 Market Place, Suite 200,
Baltimore, Maryland 21202. All Directors and Officers were elected in 2003.

CP Sunnyside Inc. is the Managing Member of Sunnyside Generation, LLC.

Sunnyside II, Inc. & Sunnyside III, Inc.:

Directors: John T. Long
Stephen B. Gross

Officers: John T. Long Senior Vice President CGG
President CPG

Stephen B. Gross Vice President
Paul Shepard Vice President

Deleted: Michael J. Blakey . . Vice
President[]

Steven L. Miller Secretary

Daniel L. Haught Treasurer

The address for the officers and directors is 111 Market Place, Suite 200,
Baltimore, Maryland 21202. All Directors and Officers were elected in 2003.

Colmac Sunnyside, Inc.:

Directors: Willis S. McLeese
Greg B. Lawyer

Officers: Willis S. McLeese Chairman and CEO
Greg B. Lawyer President
Robert S. McLeese Secretary and CFO

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| Sunnyside Cogeneration Associates
Star Point Waste Fuel
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William Cangan

Assistant Secretary

The address for the officers and directors is 103 Springer Building, 3411 Silverside Road, Wilmington, DE 19810. The Directors' and Officers' start date was October 15, 1999.

Sunnyside Holdings I, Inc.

Directors: Willis S. McLeese
Greg B. Lawyer

<u>Officers:</u>	Willis S. McLeese	Chairman and CEO
	Greg B. Lawyer	President and COO
	Robert S. McLeese	Secretary and CFO
	William Cangan	Assistant Secretary

The address for the officers and directors is 103 Springer Building, 3411 Silverside Road, Wilmington, DE 19810. The Directors' and Officers' start date was August 27, 1999.

112.340-420. Further Information Regarding Owners and Controllers.

Neither Sunnyside II, L.P., nor Sunnyside Holdings I, Inc., nor their owners or controllers, has owned or controlled a coal mining and reclamation operation in the United States within five years preceding the date of this application, except for the following, nor do they have any interest in any pending coal mine operation permit applications.

Sunnyside Cogeneration Associates
Sunnyside Refuse/Slurry
Permit # C/007/035

112.500. Surface and Mineral Property.

The applicant, Plateau Mining Corporation, and the United States Bureau of Land Management (BLM) own surface properties within the permit area. SCA has purchased the waste coal pile located within the permit area pursuant to the Bill of Sale dated January 31, 2002 included in Exhibit 114.200a. The southern portion of the permit area, owned by the BLM, has been made available to SCA as detailed in

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Star Point Waste Fuel
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the Assignment and Assumption of Federal Right-of-Way included in Exhibit 114.100a. Plateau Mining Corporation owns the surface property where SCA's substitute topsoil pile is stored. There are no purchasers of record under a real estate contract for the property to be mined.

Right of Entry documents have been recorded that reflect interest in the property to be mined. These easements are reflected on the Star Point Permit Boundary that is shown in Exhibit 111.100a. Owners of contiguous property to the permit area are shown on the Star Point Permit Boundary shown in Exhibit 111.100a. A summary table of land classifications within the Permit Area is included in Exhibit 112.500a.

Plateau Mining has assumed responsibility for paying royalties associated with Star Point Waste Coal Pile.

112.600. Contiguous Property.

The name and address of each owner of record of all property (surface and subsurface) contiguous to any part of the proposed permit area:

Plateau Mining Corporation	United States Government	Carbon County
9100 E. Mineral Circle	Bureau of Land	120 East Main Street
Englewood, CO 80112	Management	Price, Utah 84501
	Price, UT 84501	

112.700. MSHA Numbers.

The name of the mining operations for which this application is submitted is:

STAR POINT WASTE FUEL

Mine I.D. Number 42-02334

On January 28, 2004 SCA received a letter from MSHA officially abandoning the Coarse Refuse pile (formerly identified as ID No. 1211-UT-09-02334-01), see exhibit 513. MSHA inspection and reporting requirements will be focused on the surface mining operation and will follow a semi-annual inspection frequency.

112.800. Applicants Interest in Contiguous Lands.

Exhibit 111.100a, shows ownership interests in lands contiguous to the permit area. The applicant has no leasehold interest, options, or pending bids on any of these lands. The existing permit application is not limited to any future by-pass acquisitions, lease modifications, or areas designated in expressions of interest, or areas under investigation that are contiguous to the present permit application boundaries.

112.900. Applicable Information Resubmittal.

SCA, upon application approval, will submit any applicable, updated or corrected information previously submitted under R645-301-112.100 through R645-301-112.800.

113. VIOLATION INFORMATION.

113.100-250. Suspensions and Revocations.

Neither the Applicant, nor any of its subsidiaries, affiliates, or persons controlled by or under common control with the Applicant 1) has had a federal or state mining permit suspended or revoked in the last five years, or 2) has forfeited a mining bond or similar security deposited in lieu of bond.

113.300-350 Violations and Unabated Cessation Orders

Sunnyside Cogeneration Associates received one notice of violation from the Utah Division of Oil, Gas and Mining (DOGM) within the three year period prior to the application for Permit Renewal. Information regarding these violations is described below:

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There have not been any unabated cessation orders or unabated air and water quality violation notices received by any coal mining and reclamation operation owned or controlled by either the Applicant or by any person who owns or controls the Applicant.

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Star Point Waste Fuel – C/007/042, NOV# N04-49-3-1, Requirements of the violation have been satisfied.

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114. RIGHT-OF-ENTRY INFORMATION.

114.100. Description of Legal Documents.

Documents included as Exhibits 114.100a and 114.100b support SCA's right of entry and operation in the permit area. That right is not the subject of pending litigation. These documents include:

- Special Warranty Deed from Plateau Mining Corporation ("Plateau") to SCA executed 1/30/2002
- Assignment and Assumption of Federal Right-of-Way from Plateau to SCA assigning the BLM Right-of-Way No. UTU-47965 executed 1/30/2002
- Right-of-Way from Plateau to SCA regarding access from County Road 290 to the Wattis Branch railroad grade executed 1/30/2002

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- Right-of-Way from Utah Railway Company to Plateau regarding the Wattis Branch railroad grade executed 1/31/2002
- Assignment and Assumption of Private Right-of-Way from Plateau to SCA assigning the Utah Railway Right-of-Way to SCA executed 1/29/2002
- Memorandum of Surface Use Agreement regarding the "Reclamation Stockpile"
- Quitclaim Deed to Carbon County land associated with power substation.

114.200-230. Private Mineral Estate.

Applicant was conveyed the waste coal pile sitting on the surface property pursuant to the Bill of Sale for such pile purchased January 31, 2002. A copy of the Bill of Sale is included as Exhibit 114.200a.

114.300. Adjudication of Property Rights Disputes.

It is not construed that the Division has the authority to adjudicate property rights disputes.

115. STATUS OF UNSUITABILITY CLAIMS.

115.100. Unsuitable Areas.

The SCA - Star Point Permit Area is not within an area designated unsuitable for coal mining and reclamation operations or is within an area under study for designation in an administrative proceeding under R645-103-300, R645-103-400, or 30 CFR Part 769.

115.200. Exemptions.

This section is not applicable because Applicant does not claim the exemption described in R645-103-333.

115.300. Public Roads.

The only public road within 100 feet of the permit is County Road 290 that passes adjacent to the refuse pile site on the North side heading in a east-west direction as shown on Map 521.100a and 521.100b. It will remain in place after post mining reclamation to provide access to land above the mine area, as required by the post mining land use plan.

In compliance with R645-103-230 through R645-103-238, Carbon County has authorized public access to Country Road 290. Also, an opportunity for public hearing was provided with respect to the mining with 100 feet of the road. A meeting, which was scheduled on April 28, 1992 at the Days Inn in Price, Utah wherein protests could be heard, related to the proximity of the mine to County Road

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290. The notice was published in the Sun Advocate on April 14, 1992 where after the meeting was cancelled due to lack of interest. A copy of the published "public notice" is included in Exhibit 115.300a and a letter from Carbon County explaining public access is included in Exhibit 115.300b.

116. PERMIT TERM.

116.100. Start and Termination Dates.

Surface mining operations will commence immediately upon permit approval and are anticipated to extend 20-30 years. Detailed operations plans are included in Section 520 of this permit. Site reclamation will begin at the end of the mining period and the initial earthwork and seeding are scheduled to be completed with one year. Detailed reclamation plans are included in Section 540 of this permit.

116.200-220. Term in Excess of Five Years.

The permit application is for a term of 5 years.

117. INSURANCE.

117.100. Liability Insurance.

A copy of the certificate of liability insurance is attached as Exhibit 117.100a.

117.200. Proof of Publication.

A newspaper advertisement, Exhibit 117.200a, has been published in the "Sun Advocate" for four (4) weeks following the determination of completeness. Proof of publication of the newspaper advertisements is given in Exhibit 117.200b.

117.300. Shared Facilities.

Surface mined materials will be transported to and processed in areas identified and permitted by SCA under the following permit:

Sunnyside Cogeneration Associates
Sunnyside Refuse/Slurry
Permit # C/007/035

Plateau Mining Corporation has previously reclaimed 3.6 acres under the following permit which lie within this permit boundary and will be monitored in accordance with their approved permit.

Plateau Mining Corporation
Star Point Mines
Permit # C/007/006

| Sunnyside Cogeneration Associates
Star Point Waste Fuel
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118. APPLICATION FEE.

The required filing fee of \$5.00 is submitted with this Permit Application.

123. VERIFICATION.

The required verification statement is included as Exhibit 123.000a.

130. REPORTING OF TECHNICAL DATA.

PSOMAS, in the preparation of this permit document, has compiled and relied on data and maps from previous permit applications and previously approved permits for the Plateau Mining Corporation (PMC) mining activities permitted by Permit ACT/007/006 for the Star Point Mines issued by the Utah Division of Oil, Gas, and Mining on January 27, 1982, renewed on August 7, 1987, January 28, 1992 and September 27, 1996 with subsequent approved revisions.

All technical data in this application have been analyzed under the requirements of the Rules. Many of the technical analyses have been done in accordance with the guidelines issued by the State of Utah. SCA personnel and their representatives have met with the Division to discuss pertinent aspects of mining and reclamation plans.

Information regarding preparers of supporting studies can be found in the representative chapter of the Permit document.

The preparers of supporting studies include:

Section 200 –

Report of Soils for Phased Expansion of the Existing Coal Processing Waste Pile – Endangered Plant Studies, Inc., Orem Utah

Prime Farmland, NRCS

Section 300 –

Aquatic Resources of Plateau Mine Permit Area – Kaiser Engineers, Inc., Oakland, California

Section 400 –

Historical and Cultural Resources – Archeological-Environmental Research Corporation, Salt Lake City, Utah

Section 500 –

Star Point Mine's Refuse Pile Evaluation Operation and Monitoring Plan – Vaughn Hansen Associates, Salt Lake City Utah

Coal Refuse Pile Study – Chen and Associates Inc., Salt Lake City, Utah

**Cyprus Plateau Mining Company Response to DOGM Midterm Review –
Hansen, Allen & Luce, Inc., Midvale, Utah**

Section 600 –

**Reserve Assessment of Star Point Coal Refuse Site – Miltech Energy
Services, Inc., Ligorier, PA**

**Evaluation of Toxic and Acid Forming Properties – Kent A. Crofts, Yampa,
Colorado**

Section 700 –

**Stability Analysis of Sedimentation Pond No. 9 Banks – Chen and
Associates Inc., Salt Lake City, Utah**

140. MAPS AND PLANS.

Maps submitted herewith are presented in a consolidated format, to the extent possible, and include the types of information that are set forth on U.S. Geological Survey of the 1:24,000 scale series. The maps of adjacent areas will clearly show the lands and waters within those areas and are at the scale determined by DOGM. The maps and cross-sections associated with this Permit are listed in the General Table of Contents.

150. COMPLETENESS.

This Permit Application contains the information required by R645-301; R645-302 is not applicable.

411.120. Land Capability.

This section describes the land use in conjunction with other environmental resources information, and includes analysis of capability of the land before any coal mining and reclamation operations with consideration of soil and foundation characteristics, topography, vegetative cover, and the hydrology of the Permit Area. Land productivity data were obtained from United States Forest Service (USFS) and BLM. The land uses identified for the area are mining, livestock grazing, and wildlife habitat. Recently the land use has also included recreational use in the general area of the Permit Area, which includes hunting, camping, picnicking, mountain biking, horseback riding, ATV riding, snowmobiling, and hiking.

Coal, oil, and gas are the known minerals of value in the region of the Permit Area. A few wells drilled in a field near the Permit Area produced gas and oil from 1924 to 1976. Recently oil and gas companies have constructed wells and continue to extract oil and natural gas from adjacent lands of the SCA - Star Point Permit Area.

There is potential for natural gas reserves in the SCA - Star Point Permit Area. A portion of the permit area to the west side of the coal pile has been designated with an industrial post mining land use to allow for gas operations.

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Land capability and productivity before mining have been only slightly reduced compared to the present land capability. Mining activities have proceeded on the SCA - Star Point Permit Area by CPMC for several decades with only minor effects on productive capabilities in terms of soils, topography, vegetation, wildlife, or hydrology. The soils indigenous to the area affected by the operations are described in R645-301-200. Vegetation and wildlife are discussed in R645-301-300. Land productivity in terms of plant products before any mining did not differ greatly from present productivity. Wildlife, sheep, cattle, and horses used the land for grazing. Small-scale timbering has in the past provided fence posts, corral poles, house logs, and railroad ties. The steep and rocky terrain and the lack of water prohibit farming in the area.

The land use for the area near the refuse pile is that of grazing by domestic livestock and wildlife. Grazing by cattle is under the control of the Bureau of Land Management (BLM) and is part of the Wattis Grazing Allotment. The allotment contains approximately 3,500 acres of Public Land with an allocation of about 100 Animal Unit Months (AUM's). This amounts to 35 acres per AUM, which reflects the low productivity of the area. Due to steepness of slope and the lack of production, the actual contribution of this area to the grazing resource is very low. Further discussion of wildlife use of the Permit Area is discussed in Section 300.

There is no merchantable timber because much of the area is covered by sagebrush/grassland, pinyon pine, and juniper. According to BLM, some fence posts and cordwood are cut, but, in general, the land is not managed intensively for these products. No cultivated lands lie within the Permit Area boundary.

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411.130. Existing Land Uses and Land Use Classifications.

The Permit Area land use includes the coal mine waste refuse pile, recreational use, livestock grazing, and wildlife habitat. In addition, a few facility buildings are located near the refuse pile. During the last five years, land use within the permit boundary has not changed substantially; however, CPMC has reclaimed portions of the surrounding lands used for coal mining.

Currently, land use of lands adjacent to the Permit Area includes open range livestock grazing and wildlife habitat and gas exploration and extraction. Recreational use of the general region of the Permit Area consists primarily of hunting and camping; however, growing use of the area by mountain bikers, ATV riders, and hikers has been seen over the past few years. Snowmobiling also occurs in permitting slopes.

River Gas Corporation and ConocoPhillips intend to develop their oil and gas leases in the area within and adjacent to the mine facilities and contemplate using the pre-existing roads in the area. River Gas and ConocoPhillips have oil and gas leases in Section 15 and Section 2 of Township 15 South, Range 8 East.

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To assure that postmining land use will be the same as premining land use, County Road No. 290 will not be reclaimed, and the road will continue to provide access to Gentry Mountain, the mountain range to the west of the SCA Permit Area. Other roads within the disturbed area will be reclaimed, and the costs for road reclamation are included within the bond. Areas within the permit area that are designated as industrial PMLU will be reclaimed to the extent needed to allow that use.

The local, state, and federal managing authorities for areas within the permit boundaries are Carbon County, State of Utah, and U. S. Bureau of Land Management (BLM).

The Carbon County zoning Code, zones the SCA property as MG-1 Mining and Grazing for the Permit Area.

BLM planning under the "Management Framework Plans" for the Wattis unit states that all coal leases or permits must provide for minimizing or avoiding environmental damage and for rehabilitating lands affected by the operations. The BLM lands in the Permit Area and adjacent areas are used for mining, cattle grazing, recreation, and forestry. Recreational uses consist primarily of hunting, camping, and picnicking. Past and present land uses of the project area and the region as a whole are discussed in the following sections. The source of much of this information is the Draft Environmental Statement: Development of Coal Resources in Central Utah (U. S. Geological Survey, 1978).

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CPMC is located in the area of Wattis, Utah, with the mine portals at approximately 8,500 feet above sea level. The coal bearing strata are in the lower 400 feet of the Blackhawk Formation of the Mesa Verde Group. Coal has been extracted from three seams, which from uppermost to lowermost are the Wattis, Third, and Hiawatha Seams. When mining began in the early 1900's, entry was made into the Third Seam and coal was extracted from it first. Mining was expanded into the Wattis Seam. Slopes connected the Wattis Seam with the Third Seam and provided access to the virgin western reserve area.

411.230. Extent of Coal or Other Minerals Removed.

Previous mining activity in the areas adjacent to the SCA Permit Area include the following. From 1917 through 1963 approximately 12,000,000 tons of coal were removed from the Star Point Mines by Lion Coal Company. Between 1967 and the fall of 1971 approximately 750,000 tons of coal were extracted by Plateau Mining, Ltd. United Nuclear Corporation as UNC Plateau Mining Company mined approximately 5,000,000 tons of coal between the fall of 1971 and July 21, 1980. CPMC mined approximately 12,000,000 tons between 1980 and 1990. CPMC mined approximately 18,300,000 tons between 1988 and 1997. Operations ceased and the mine was shut down in 1997.

412. RECLAMATION PLAN.

Since SCA is excavating a waste coal refuse pile rather than mining an underground coal seam, SCA expects that the postmining land use to be consistent with the premining land use, which is livestock grazing, wildlife habitat. Final reclamation activities, such as grading and seeding are detailed within the reclamation plan in each section of this permit application. Since a large portion of the Permit Area is privately owned, the timing and extent of grazing use will be made after reclamation bond release by the landowner. There are some areas within the permit area that are designated as industrial PMLU. These areas will be reclaimed to the extent needed to allow that use.

412.100. Postmining Land Use Plan.

With the exception of the industrial areas, the postmining land uses will be the same as premining uses. These uses include livestock grazing, wildlife habitat, recreation, and forestry in the areas belonging to BLM. Table 412.100a, summarizes the disturbed areas and their postmine land uses. Section 100 includes a description of property exchange, easement, right-of-way, maintenance, and use agreements.

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Table 412.100a. Postmining Land Use

Area	Present Ownership	Premining Use	Proposed Postmining Use	Ability to support Proposed Postmining Use
Coal Pile Area	Private, <u>Federal</u>	Wildlife, Grazing	Wildlife, Grazing, Recreation, <u>Industrial</u>	Adequate
Powerline Routes	Private, State	Wildlife, Grazing	Wildlife, Grazing, Power Line Route	Adequate
County Road 290	Private, State	County Road	County Road	Adequate
Subsoil Area	Private	Wildlife, Grazing	Wildlife, Grazing, Recreation	Adequate

412.110. Achievement of Proposed Mining Land Use.

Livestock grazing, wildlife habitat, recreation, and forestry, as a postmining land use will be achieved by implementing the Reclamation Plan. This Plan allows for reclaiming disturbed areas, replanting species compatible with grazing, wildlife, and forestry. The public land will be utilized for recreation as it was prior to mining activity. Public access to the area will be by County Road No. 290, which will remain after final reclamation as an essential part of the postmining land use. Industrial PMLU areas will be achieved by clearing the area of coal materials and turning it over to the industrial users subject to the corresponding regulations of their use.

In the event of bond forfeiture, reclamation of the refuse pile is discussed in the Bond Scenario reclamation plan in Section 540 and 550. The implementation of the reclamation plan should be sufficient to return the refuse pile to the intended postmining land use.

412.120. Range or Grazing Land Use.

Postmining land uses are to be achieved by effectively reclaiming disturbed areas including the establishment of a diverse vegetative cover compatible with wildlife and livestock grazing. Areas designated for industrial use would be operated in a manner such that impacts to adjacent post mining land uses would be minimal. No other alternative postmining land uses are proposed.

412.140. Surface Owner Plans and Applicable Utah and Local Land Use Plans.

The reclamation plan is consistent with all state, federal, and local land use plans and programs, including surface water plans.

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To prevent compaction of the soil cover, soil moving equipment will refrain from unnecessary operation over spread soil. Front-end-loaders and other wheel mounted equipment may be used to transport and dump the soil from the Subsoil Area. However, to minimize compaction, only track-mounted equipment (e.g. bulldozers, trackhoes) are preferred to spread the soil. If needed, the soil will be loosened prior to seeding. Erosion control measures may include but not be limited to, mulching, surface roughing, and gouging. The entire regraded site will be roughened including the slopes.

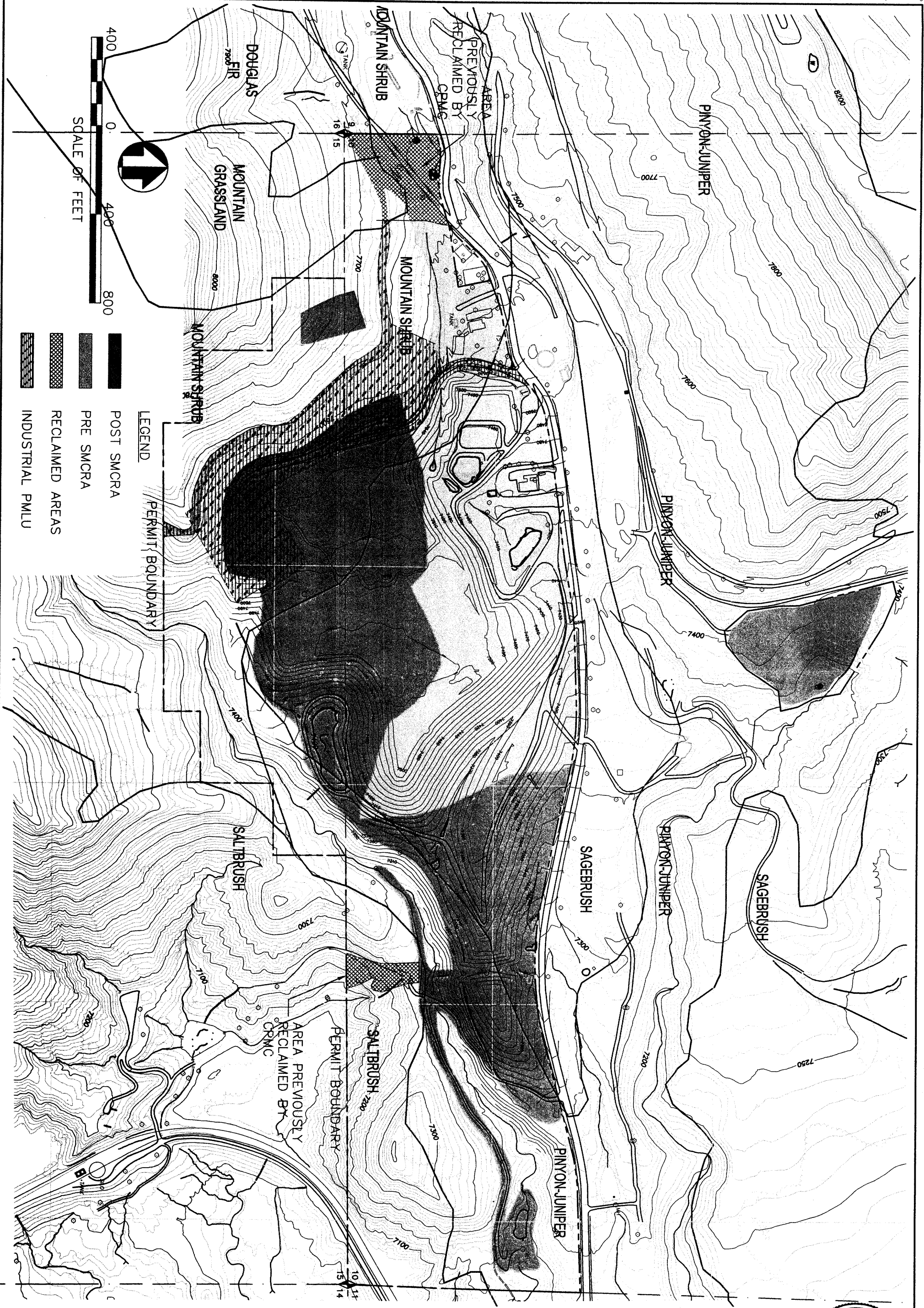
County Road No. 290 provides access to Gentry Mountain, the mountain range to the west of the SCA - Star Point Permit Area and will not be reclaimed. Reclamation of temporary roads within the disturbed area boundary will follow the same technique as for other disturbed areas. The proposed industrial area shown on map 341.210a will generally be scraped clean of coal materials, but will not receive soil cover or revegetation efforts.

Impoundments within the Coal Refuse Pile Area will be reclaimed.

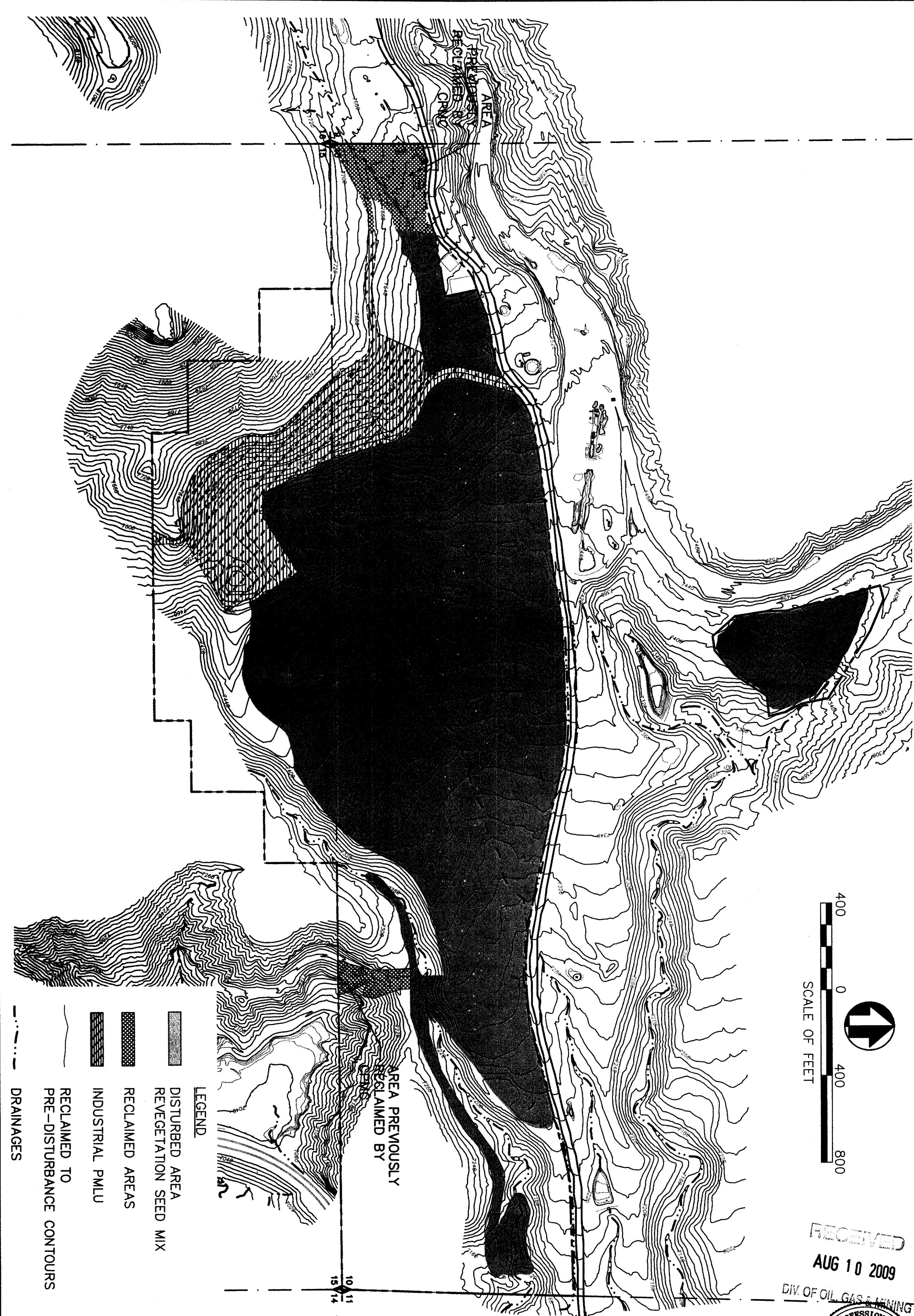
243. SOIL NUTRIENTS.

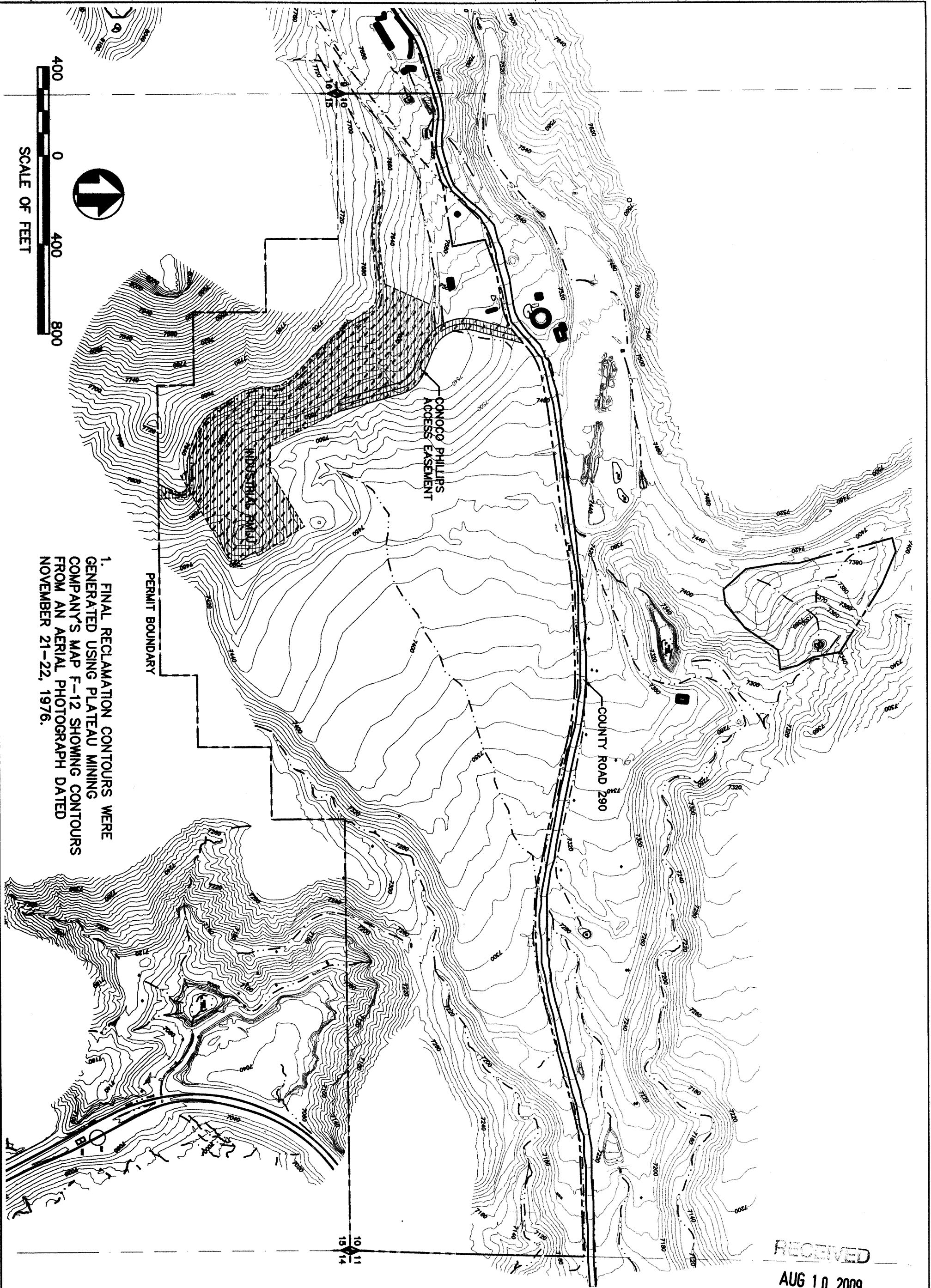
At the time that the subsoil material was salvaged, many samples were analyzed to determine nutrient needs for a fertilization program. However, Based on current recommendations from The Practical Guide to Reclamation in Utah, a 2000 Division publication, fertilizers will be applied only when necessary due to an extreme nutrient deficiency. Nitrogen fertilization will encourage weed species at the expense of native species. No fertilizer use is anticipated in the reclamation of the permit area. Reclamation without applying fertilizer has been practiced in 2001-2002 at the Star Point Mine. The fertilization scheme for the Permit Area may be refined upon a comparison of the success of the reclamation study. Nonetheless, the analysis of the soil material is included herein for reference.

Soil in the Refuse Expansion Area was analyzed for suitability during the removal process. Nearly 158 soil samples have been analyzed along with 2 on-site long-term fertilizer studies, to evaluate soils for topsoil suitability. The upper A and B horizons were separately salvaged into a topsoil stockpile utilized by PMC. SCA acquired the rights to the stockpile with the lower C horizons. ; The results of the analyses on the C horizons are included in Table 243. Consistent values were obtained for deficiencies of phosphorus and nitrate-nitrogen. 100 percent of all nitrate-nitrogen samples yield a deficiency and 98.55 percent phosphorus samples were deficient. Potassium was adequate in 94 percent of the samples, and iron and zinc are never known to be deficient in Utah. Additional soil testing of respread subsoil is unnecessary. Further details on the sampling program and results are included below.





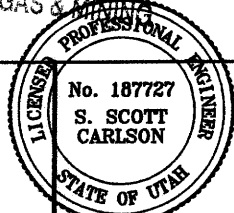




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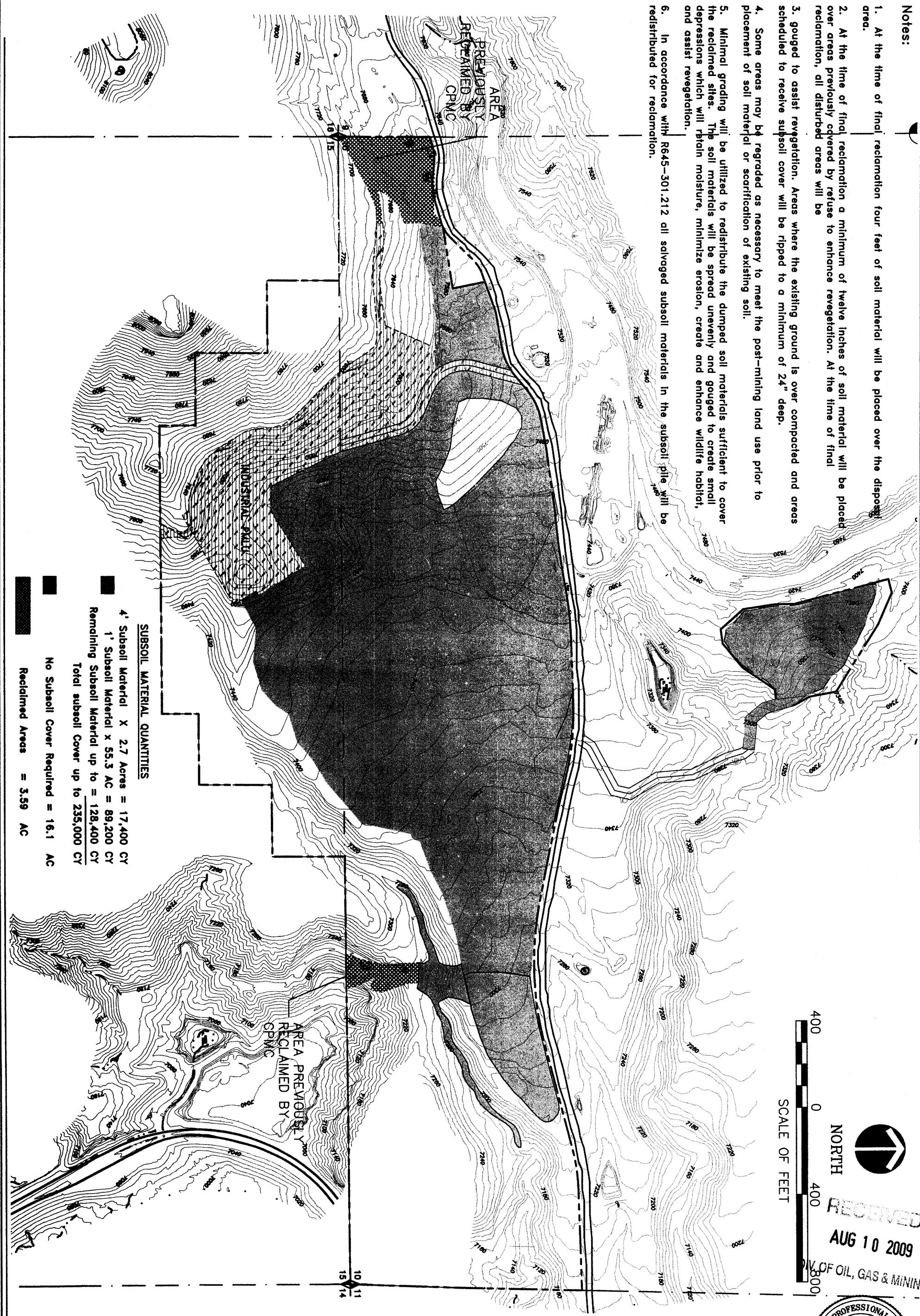
**TWIN PEAKS**
Engineering & Land Surveying
1890 NORTH 800 EAST LEHI, UTAH 84043
(801) 450-3511, (801) 439-0700 FAX

SCA / STAR POINT WASTE FUEL
REFUSE PILE
FINAL RECLAMATION TOPOGRAPHY

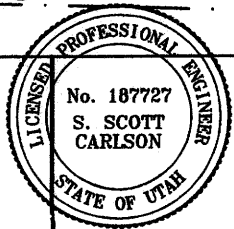
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Notes:

1. At the time of final reclamation four feet of soil material will be placed over the disposal area.
2. At the time of final reclamation a minimum of twelve inches of soil material will be placed over areas previously covered by refuse to enhance revegetation. At the time of final reclamation, all disturbed areas will be
3. gouged to assist revegetation. Areas where the existing ground is over compacted and areas scheduled to receive subsoil cover will be ripped to a minimum of 24" deep.
4. Some areas may be regraded as necessary to meet the post-mining land use prior to placement of soil material or scarification of existing soil.
5. Minimal grading will be utilized to redistribute the dumped soil materials sufficient to cover the reclaimed sites. The soil materials will be spread unevenly and gouged to create small depressions which will retain moisture, minimize erosion, create and enhance wildlife habitat, and assist revegetation.
6. In accordance with R645-301.212 all salvaged subsoil materials in the subsoil pile will be redistributed for reclamation.



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(801) 450-3511, (801) 439-0700 FAX

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